

ASSEMBLY BILL

No. 2335

Introduced by Assembly Member Maldonado

February 24, 2000

An act to add Section 7282.5 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2335, as introduced, Maldonado. Transient Occupancy Tax: lodging.

Under existing law, the legislative body of any city or county is authorized to levy a tax on the privilege of occupying a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging unless the occupancy is for any period of more than 30 days.

This bill would impose a state-mandated local program by prohibiting a city, county, or city and county from levying the tax for lodging provided to an employee of, or elected official representing, a governmental entity, if specified conditions are met. One condition is that the employee or elected official sign a declaration under penalty of perjury, thus imposing a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7282.5 is added to the Revenue
2 and Taxation Code, to read:

3 7282.5. (a) Notwithstanding any other provision of
4 law, a city, county, or city and county shall not levy a tax
5 under Section 7280 for lodging provided to an employee
6 of, or elected official representing, a governmental
7 entity, including local, state, federal, and foreign
8 jurisdictions.

9 (b) Subdivision (a) shall apply only when all of the
10 following conditions are met:

11 (1) The employee or elected official is serving on
12 official business of the governmental entity.

13 (2) The cost of the lodging will be paid for, or
14 reimbursed by, the governmental entity.

15 (3) The employee or elected official signs a
16 declaration provided by the lodging operator, under
17 penalty of perjury, identifying the name of the guest and
18 governmental entity, and that the lodging is provided
19 pursuant to official business of the entity.

20 (c) Lodging operators may rely on declarations
21 provided pursuant to paragraph (3) of subdivision (b).

22 (d) No assessments for unpaid taxes under Section
23 7280 shall be initiated after three years have elapsed from
24 the conclusion of the occupancy giving rise to the tax.

25 SEC. 2. No reimbursement is required by this act
26 pursuant to Section 6 of Article XIII B of the California
27 Constitution for certain costs that may be incurred by a

1 local agency or school district because in that regard this
2 act creates a new crime or infraction, eliminates a crime
3 or infraction, or changes the penalty for a crime or
4 infraction, within the meaning of Section 17556 of the
5 Government Code, or changes the definition of a crime
6 within the meaning of Section 6 of Article XIII B of the
7 California Constitution.

8 However, notwithstanding Section 17610 of the
9 Government Code, if the Commission on State Mandates
10 determines that this act contains other costs mandated by
11 the state, reimbursement to local agencies and school
12 districts for those costs shall be made pursuant to Part 7
13 (commencing with Section 17500) of Division 4 of Title
14 2 of the Government Code. If the statewide cost of the
15 claim for reimbursement does not exceed one million
16 dollars (\$1,000,000), reimbursement shall be made from
17 the State Mandates Claims Fund.

